

ORDINANCE NO. 1206

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, AMENDING CHAPTER 3.20, *PURCHASING*, OF THE PICO RIVERA MUNICIPAL CODE

WHEREAS, the City's existing Purchasing Municipal Code was last revised and adopted by the City Council on April 8, 2025, with Ordinance No. 1193; and

WHEREAS, an amendment to Chapter 3.20 *Purchasing*, of the Pico Rivera Municipal Code, is necessary to increase the procurement thresholds authorized under the same to align with federal and state practices, which periodically adjust the procurement thresholds for inflation and efficiency; and

WHEREAS, an amendment to Chapter 3.20 *Purchasing* is also necessary to standardize citywide procurement policies and procedures; and

WHEREAS, pursuant to Sections 54201 through 54204 of the California Government Code, policies and procedures that govern the purchase of supplies and equipment must be adopted by an ordinance; and

WHEREAS, the City Council considered, concurrently herewith, a resolution adopting Procurement Policies and Procedures to assist with standard implementation citywide.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Pico Rivera as follows:

SECTION 1. Findings. The City Council finds and determines that the adoption of the ordinance is based upon the following findings.

- A. The recitals set forth above are incorporated herein as part of the findings.
- B. An amendment to Chapter 3.20 *Purchasing* is consistent with the General Plan, as it provides and maintains efficient services that strive to be responsive to public needs.
- C. Based on the above, the City Council determines that the Ordinance contained herein is necessary and in the public's best interest.

SECTION 2. Amendment. Sections 3.20.045 (*Compliance with federal and state requirements*), 3.20.100 (*Open market procedure*), 3.20.105 (*Personal and professional services excluded*), 3.20.110 (*Formal contract procedure*), 3.20.210 (*City procurement and approval thresholds*), and 3.20.215 (*Procurement policies and procedures*) of Chapter 3.20 (*Purchasing*), Title 3 (*Revenue and Finance*), are hereby amended to read as follows (deletions on Strikethrough and additions in Underline):

3.20.045. Compliance with federal, ~~and-state,~~ and local grant requirements.

- A. Federal, ~~and/or~~ State, and Local Grants. In addition to the provisions of this chapter, the procurement of all contracts for supplies, services, and equipment that are funded in whole or in part with federal, ~~and/or~~ state, and/or local grant funds shall be subject to applicable grant requirements, such as the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards promulgated by the United States Office of Management and Budget, 2 U.S. (Code of Federal Regulations ~~Part 200~~) (2 (CFR) Part 200. The City ~~has to~~ shall ensure that all granting agency requirements, including the solicitation threshold amounts, are met.

3.20.100. Open market procedure.

- A. Authorized when purchases of supplies and equipment of an estimated value of ~~forty~~ fifty thousand dollars or less may be made by the purchasing officer in the open market without observing the procedure prescribed by Sections 3.20.110 through 3.20.190. Purchases of supplies and equipment of an estimated value between ~~the amounts of~~ ten thousand dollars and ~~forty~~ fifty thousand dollars shall also require the approval of the Director of Finance.

3.20.105. Personal and professional services excluded.

- A. Except for the provisions of Section 3.20.210, the city may award purchase orders and contracts ~~sixty not exceeding seventy-five~~ thousand dollars for personal or professional services without complying with the provisions of this chapter; provided that the award shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the service required and shall be subject to the provisions of Government Code Section 4526, when applicable.

3.20.110. Formal contract procedure.

- A. Except as otherwise provided in this chapter, purchases and contracts for supplies and equipment of estimated value greater than ~~forty~~ fifty thousand dollars shall be made by written contract with the lowest responsible bidder, pursuant to the procedure prescribed in Sections 3.20.120 through 3.20.190 of this chapter.

3.20.210. City procurement and approval thresholds.

If no exemptions or special federal, ~~and/or~~ state, and/or local requirements are applicable, the city has the following procurement thresholds, which may be adjusted periodically for inflation by ordinance of the City Council:

- A. The small purchase threshold is set at ten thousand dollars. For purchases less than this amount, no purchase order is required. The department heads or their designees may approve the purchases.
- B. An informal competitive procurement is for a purchase between ten thousand and ~~forty~~ fifty thousand dollars. Either three informal quotes or a sole source form is required. The finance director and city manager may approve the sole source form,

purchase orders, and/or contracts in this category.

- C. A formal competitive procurement is for a purchase above ~~forty~~ fifty thousand dollars. A formal competitive process or a sole source form is required.
1. The city manager is authorized to approve and execute, on behalf of the city, any contract in an amount not exceeding ~~sixty~~ sixty-seven-five thousand dollars, including the contracts for the services described in Section 3.20.105(B) and (C).
 2. The city council shall approve any contracts above ~~sixty~~ sixty-seven-five thousand dollars, including the procurement for personal and professional services described in Section 3.20.105(B) and (C). Contracts described in Section 3.20.105(C) shall be subject to the provisions of Section 3.20.105(A).

3.20.215. Procurement Policies and Procedures.

The City Council may adopt Procurement Policies and Procedures by resolution to implement the provisions of this chapter. Such policies and procedures may establish administrative guidelines, evaluation procedures, documentation requirements, and other operational processes necessary to carry out the City's purchasing functions.

The Procurement Policies and Procedures adopted by resolution shall be consistent with this chapter and applicable federal, state, and local laws, but may provide additional administrative guidance to ensure transparency, competition, and efficiency in the City's procurement activities.

SECTION 3. Pursuant to Section 15060(c)(2) of the California Environmental Quality Act (CEQA) Guidelines, the City Council finds that the adoption of this Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment and therefore is not subject to CEQA. Pursuant to Section 15060(c)(3), the activity is not a "project" as defined in Section 15378 because it has no potential for resulting in physical change to the environment, directly or indirectly.

SECTION 4. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or any part thereof, is for any reason held to be unconstitutional, invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases are declared unconstitutional, invalid or ineffective. To this end, the provisions of this Ordinance are deemed severable.

SECTION 5. The City Clerk shall certify the adoption of this Ordinance. The City Council hereby finds and determines that there are no newspapers of general circulation both published and circulated within the City and, in compliance with Section 36933 of

